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SENIOR INTERDEPARTMENTAL GROUP

DIRECTORATE OF INTELLIGENCE

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GROUP 1
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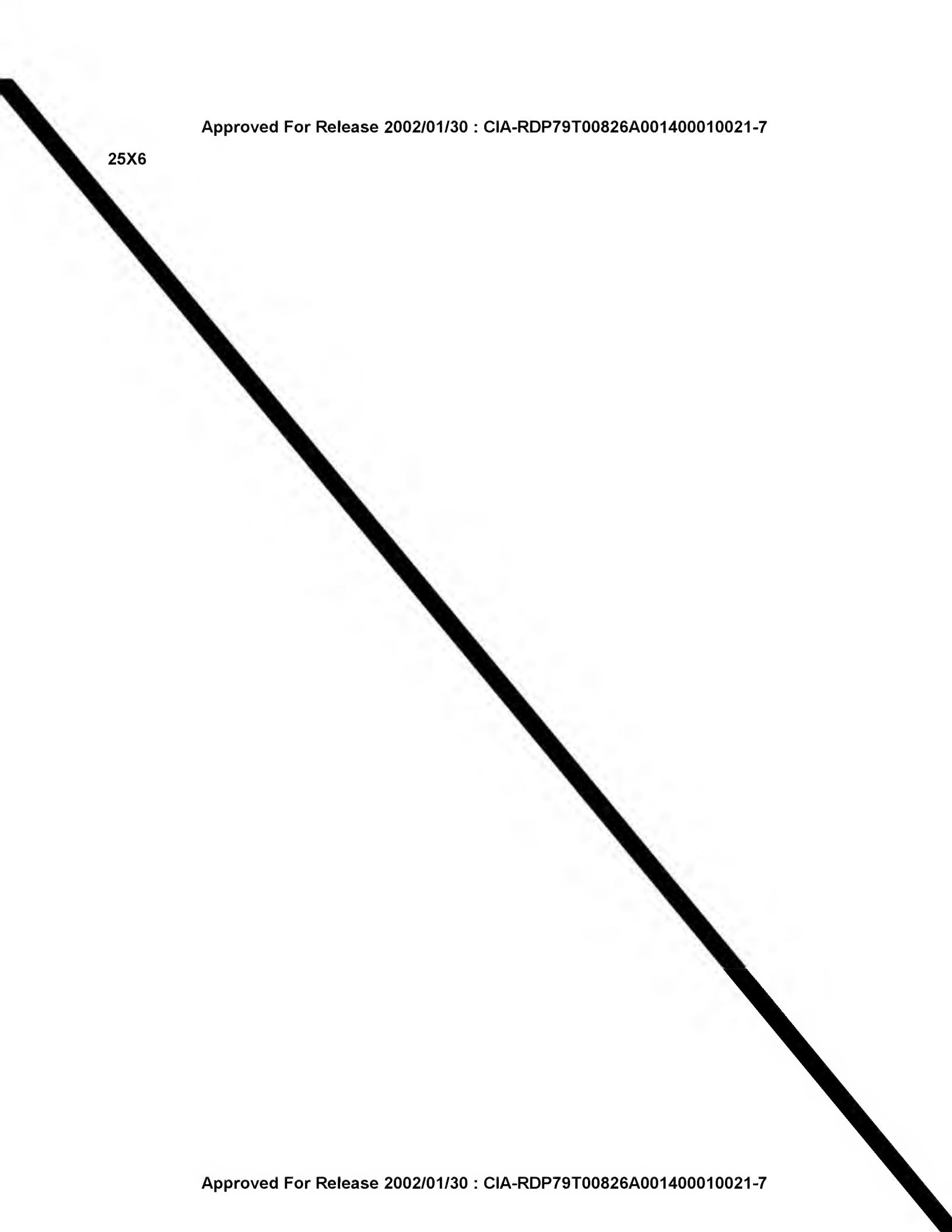
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C O N T E N T S

31 October 1966

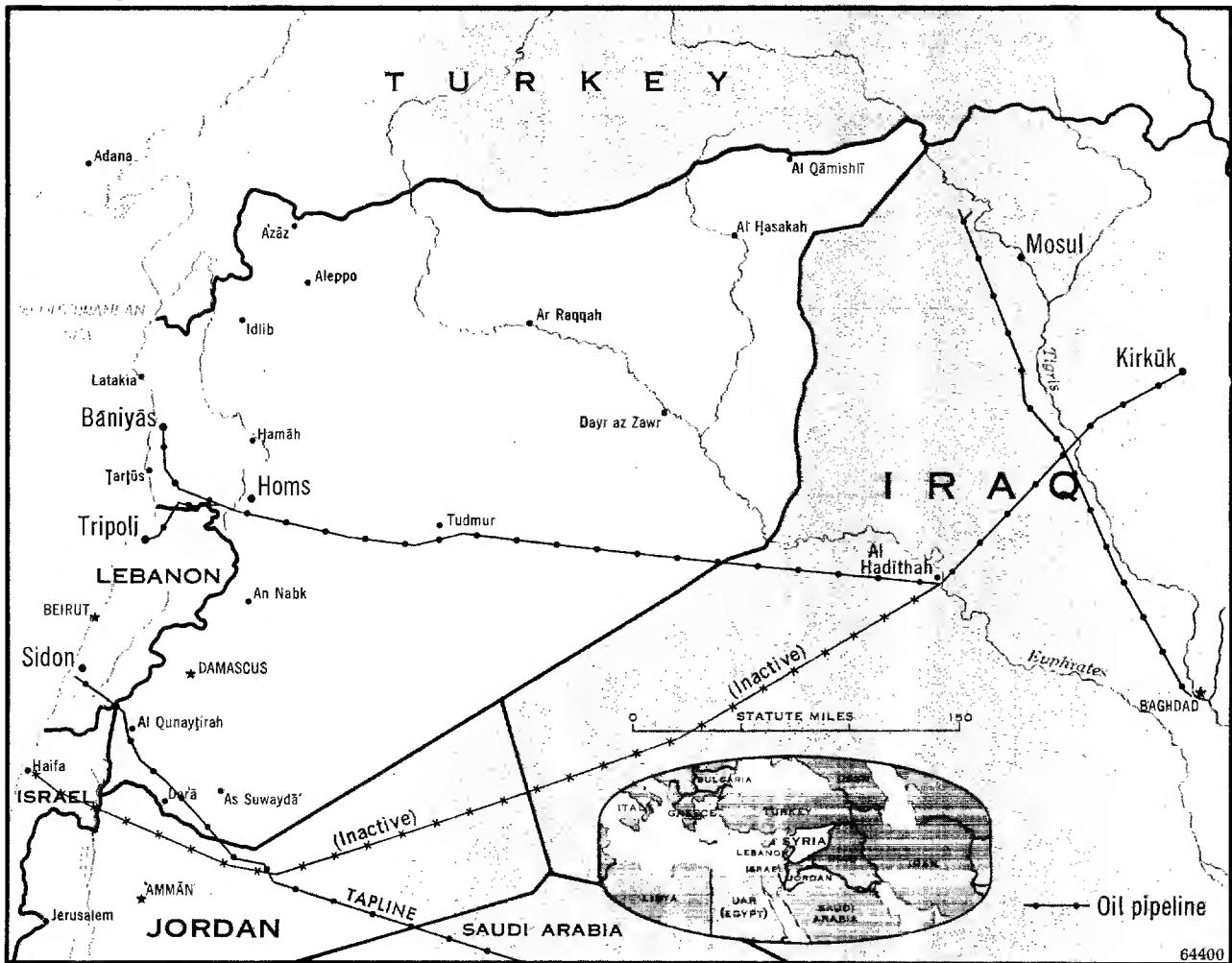
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SYRIA



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2. SYRIA - PIPELINE

Syria is demanding that the Western-owned Iraq Petroleum Company (IPC) remit \$280 million in alleged back payments for oil transiting the country via pipeline from Iraq to the Mediterranean (see map). Damascus also is insisting on an immediate 100-percent increase in transit rates. It presently receives \$27 million in fees annually.

The Syrian demand would make Kirkuk oil non-competitive, and IPC has rejected it. Damascus has refused to consider IPC's counteroffer for an increase of \$4.5 million annually, plus a substantial advance payment at present rates in return for Syrian cooperation in eliminating several thousand superfluous workers.

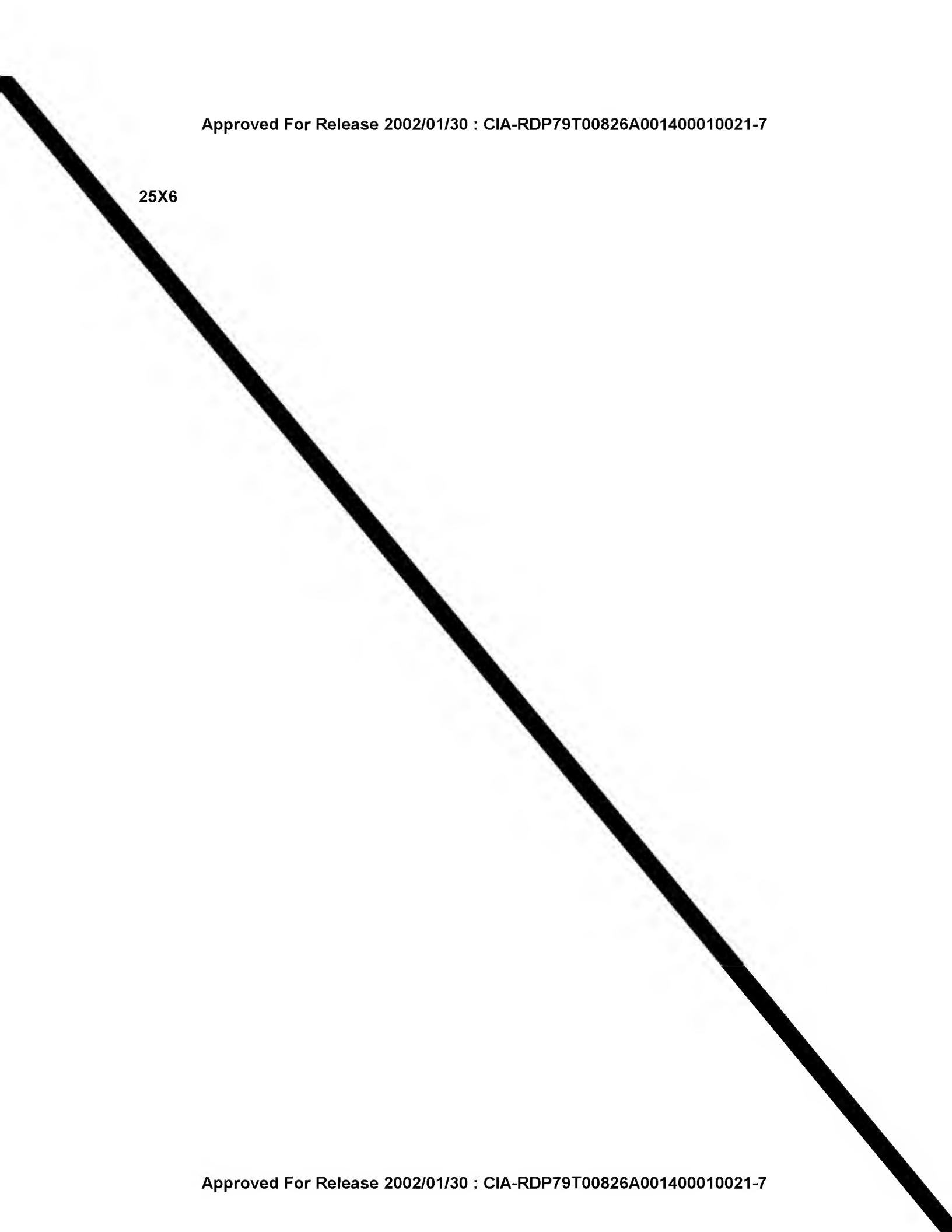
IPC suspects that Syrian intransigence on this matter is not engendered by financial need alone but may be intended to put political and economic pressure on Iraq. However, inasmuch as Syria is faced with poor crops and is currently financially strapped, it probably is primarily interested in money, as well as a "victory" over the Western oil company to bolster its position in the Arab world. The regime's radical leftist leadership, abysmally ignorant of economics, might seize or close down the line as a pressure tactic.

IPC maintains that it will close the line rather than accede to Syrian demands, although it has not so informed the Syrians or the Iraqis. IPC's parent companies (Standard Oil of New Jersey, Mobil, British Petroleum, Compagnie Francaise des Petroles, and Gulbenkian interests) would not suffer greatly from such a move because the pipeline was amortized long ago and Kirkuk oil can be replaced with that from other countries.

Iraq, however, would stand to lose some \$270 million annual income from oil exports via Syria out of its total \$382-million oil income. There is at present no means for exporting northern Iraqi crude except through Syria. (SECRET NO FOREIGN DISSEM)

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4. CUBA

Recent insurgent activities indicate that the Cubans are now willing to back their militant words with deeds by providing new assistance to selected guerrilla groups. Cuba has emphasized a revolutionary hard line for Latin America since the January Tri-Continent Conference.

On 18 October Foreign Minister Raul Roa delivered a militant speech to the UN General Assembly. Following the usual attacks on the US, he said that armed revolution would succeed in Guatemala, Venezuela, Colombia, and Peru as it did in Cuba. Roa

25X1C [REDACTED] the purpose of the Cuban mission to the recent Moscow summit conference was to persuade the USSR to support its policy of fomenting violent revolution in Latin America and Africa.

25X1C [REDACTED] a Cuban diplomat in Mexico City has been implicated in arms smuggling to Guatemalan guerrillas. In Cuba, training has recently been renewed for Panamanian, Bolivian, and Dominican extremists. There is also new evidence establishing a direct link between Cuba and Venezuelan guerrillas. Venezuelan authorities have identified the serial numbers on two outboard motors believed to have been used by guerrillas who landed at Tucacas in July. These numbers are the same as those on two outboards known to have been in Cuba in August 1965. The insurgents reportedly brought arms and \$220,000 in cash for the dissident rebel group led by Douglas Bravo.

These activities and statements indicate that Cuba may be reviving support for certain key guerrilla groups after soft-pedaling insurgent action for a year and a half. However, a sizable increase in aid to rebel forces would further exacerbate Cuba's already strained relations with Latin America's pro-Moscow Communist parties--which for the most part are convinced that the strategy of violence is an erroneous one. (SECRET NO FOREIGN DISSEM/BACKGROUND USE ONLY/NO DISSEM ABROAD/CONTROLLED DISSEM)

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5. COLOMBIA

President Lleras has decreed stringent antisubversive measures.

The decrees had apparently been readied earlier for promulgation at an opportune moment in line with Lleras' belief that strong measures must be taken against unruly student agitators and those who support Communist guerrillas. The decrees were issued in response to a stone-throwing semi-riot directed against Lleras on the campus of National University on 24 October and the subsequent call for a student strike by the non-Communist student council.

The new laws state that anyone "linked to subversive activities" can be held under house arrest, that subversive publications can be closed down, that travel to Cuba is forbidden, and that the student council at National University is suspended. The decrees affirm the legal right of police and soldiers to enter university grounds to preserve order. They also provide severe punishment for such favorite student extracurricular activities as stone-throwing, impeding traffic, and baiting policemen.

These decrees, combined with one issued in September aimed at curbing student strikes, should facilitate the government's tasks of controlling public order and keeping the students in class. Leftist student leaders have replied so far with noisy complaints, and there is a possibility of further disorders induced by Communist or reckless student elements.

The leftists seem to have been taken aback by the decrees, however, and may be wary of challenging the measures at this time. This lack of reaction and the government's purposeful stand diminish the chance that the situation could disintegrate into serious disorder. (CONFIDENTIAL)

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